



Title: I, Payroll/Personnel Manual

Chapter: 28, Section 2, Tax Formulas (TAXES)

Bulletin: TAXES 08-13, Ohio State Income Tax Withholding

Date: March 11, 2008

To: Holders of TAXES (State of Ohio only)  
Personnel User Groups  
T&A Contact Points in Ohio

Beginning with wages paid for Pay Period 5, the National Finance Center (NFC) will make the following changes to the State of Ohio income tax withholdings:

- The withholding table will change.

No action on the part of the employee or the personnel office is necessary.

To view the updated tax formula, go to NFC's Home Page ([www.nfc.usda.gov](http://www.nfc.usda.gov)) and click the **Publications** link at the top of the page. At the Publications page right-hand menu, click **Tax Formulas** and select the appropriate state from the map provided. Changes to the tax formula are identified by "►◄".

For questions about NFC processing, contact the Payroll/Personnel Call Center at **504-255-4630**.

MARK J. HAZUDA, Director  
Government Employees Services Division

# Ohio State Income Tax Information

**State Abbreviation:** OH  
**State Tax Withholding State Code:** 39  
**Acceptable Exemption Form:** IT-4  
**Basis For Withholding:** State Exemptions  
**Acceptable Exemption Data:** 0 / Number of Exemptions  
**TSP Deferred:** Yes  
**Special Coding:** Determine the Total Number Of Allowances field as follows:  
     **First Position** – Enter 0 (zero).  
     **Second and Third Positions** – Enter the number of exemptions claimed.  
**Additional Information:** None

## Withholding Formula ►(Effective Pay Period 5, 2008)◄

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) (includes dental and vision insurance program, and flexible spending account – health care and dependent care deductions) from the amount computed in Step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages times ►27◄ to obtain the annual wages.
5. Determine the exemption allowance by applying the following guideline and subtract this amount from the gross annual wages to compute the taxable income.

$$\text{Exemption Allowance} = \$650 \times \text{Number of Exemptions}$$

6. Apply the taxable income computed in step 5 to the following table to determine the Ohio tax withholding.

Tax Withholding Table						
If the Amount of Taxable Income Is:		The Amount of Ohio Tax Withholding Should Be:				
Over:	But Not Over:					Of Excess Over:
\$ 0	\$ 5,000	\$ 0	plus	►0.672%	\$ 0	
5,000	10,000	33.60	plus	1.344%	5,000	
10,000	15,000	100.80	plus	2.687%	10,000	
15,000	20,000	235.15	plus	3.360%	15,000	
20,000	40,000	403.15	plus	4.031%	20,000	
40,000	80,000	1,209.35	plus	4.703%	40,000	
80,000	100,000	3,090.55	plus	5.375%	80,000	
100,000	and over	4,165.55	plus	6.718%◄	100,000	

7. Divide the annual Ohio tax withholding by ►27◄ to obtain the biweekly Ohio tax withholding.